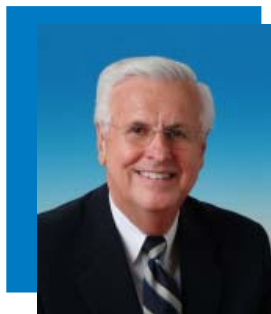




Becoming a **LICENSED PRODUCER**



Louisiana Department of Insurance
Jim Donelon, Commissioner



A Message from Commissioner of Insurance Jim Donelon

Thank you for your interest in insurance licensing. Whether you are thinking of becoming a licensed insurance professional, have already been licensed with the Department or are just interested in learning more about how to get a license, I hope you find this overview of the licensing process helpful.

I am proud of the highly dedicated men and women who are currently licensed with the Department of Insurance, and we are always pleased to have other motivated people join them.

One of my chief goals here at the Department of Insurance is to continue to refine the licensing process to better and more efficiently meet the needs of the people we license and the public they serve.

If you have additional questions or comments about insurance licensing in Louisiana, call us toll-free at 1-800-259-5300 or visit our Web site at www.lldi.state.la.us.

Sincerely,

Jim Donelon

Commissioner of Insurance

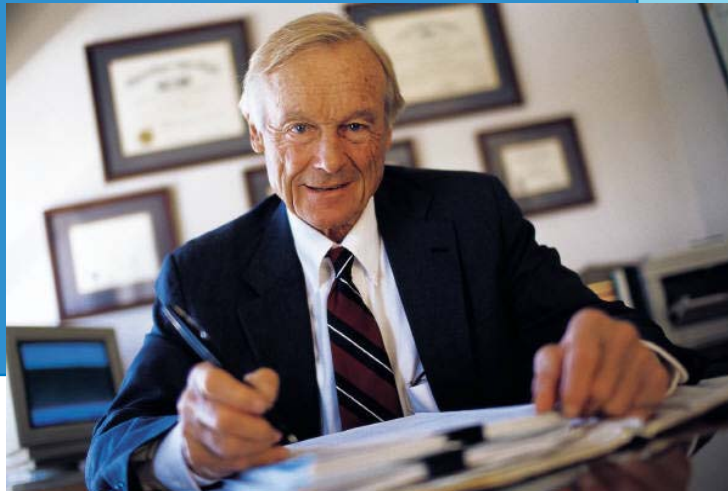
This public document is published at a total cost of \$1,335.48. Two thousand copies of this public document were published in this third printing at a cost of \$1,298. The total cost of all printings of this document including reprints is \$7,686.17. This document was published by Digital Press, 5015 Florida Blvd., Baton Rouge, LA 70806 to inform the public about how to get a Louisiana insurance license following the implementation of the uniform producer licensing law under special exception by the Division of Administration. This material was printed in accordance with standards for printing by state agencies established pursuant to R.S. 43:31. Printing of this material was purchased in accordance with the provisions of Title 43 of the Louisiana Revised Statutes.

Types of Licenses

The Louisiana Department of Insurance issues the following licenses. Each is valid only for the line(s) of authority shown on the license.

- ♦ A **producer** license. This license is issued to individuals, partnerships or corporations authorized to transact business, as well as to sell, solicit, or negotiate insurance on behalf of an insurer authorized to do business in Louisiana.
- ♦ A **surplus lines broker** license. This license is issued to individuals, partnerships or corporations, who solicit, sell or negotiate with insurance companies that are not licensed, but are approved to do business in Louisiana.

Note: Beginning July 1, 2007, adjusters in Louisiana will be required to be licensed. Check the Louisiana Department of Insurance Web site for updates on adjuster licensing requirements.



Licensing Requirements

Resident Requirements

To hold a license, a Louisiana resident must:

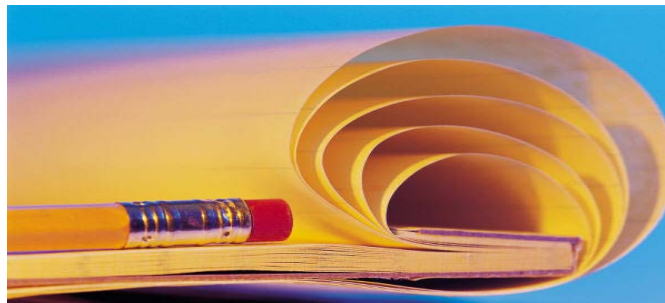
- ♦ Be at least 18 years of age;
- ♦ Reside in or maintain a principal place of business in Louisiana;
- ♦ Complete a prelicensing education program and pass an examination (when required);
- ♦ Submit the appropriate forms and fees.



Nonresident Individual License Requirements

If you are not a resident of Louisiana, you must comply with the following requirements for a nonresident producer license for Life, Health and Accident, or Property and Casualty:

- ♦ Be at least 18 years of age;
- ♦ Be in compliance with continuing education requirements in the resident state;
- ♦ Submit the appropriate forms and fees.



Corporations and Partnerships as Agencies

Corporations and partnerships must be licensed in order to transact insurance business and/or to receive commissions. All firm applicants must submit Form 1136B (available from the Louisiana Department of Insurance) and submit the appropriate fees directly to the Department. At the time of application, at least one of the firm’s officers, partners or employees must hold a license for the same line of authority applied for by the applicant. An application may be downloaded from www.ldi.state.la.us.

Prelicensing Education Requirements

Prelicensing education and testing requirements help ensure a minimum level of knowledge about the products and services that producers offer to the public. In addition, license candidates must understand and comply with the laws and rules that govern insurance. You must meet the following requirements before applying for a license.

<u>Line(s) of Insurance</u>	<u>CourseHours</u>
Life	16
Health and Accident	16
Life, Health and Accident	32
Property	32
Casualty	32
Property and Casualty	32
Personal Lines – Property and Casualty	32
Bail Bonds	8
Title	None

To obtain a list of prelicensing schools, visit our Web site at www.ldi.state.la.us.

What to do now ?

Now that you have an understanding of the types of licenses available and the general requirements, the next step is taking any necessary examinations.

Some licenses do not require an examination. When applying for a license that does not require an exam, submit Form 1136A with the appropriate fee(s) to the Louisiana Department of Insurance. Fees for the different types of licenses vary.

Licenses Requiring an Exam

Registering for your exams consists of three major steps: application, registration and scheduling. To apply for a license that requires an exam, you must submit all forms and fees directly to Thomson-Prometric, administrators of the exam, including:

- ◆ License application Form 1136A*
- ◆ Examination Registration Form*
- ◆ Appropriate fees (license fees and exam fees)

**Forms are included in the Louisiana Department of Insurance Licensing Information Bulletin.*

<u>License Line</u>	<u>Type of License</u>	<u>License Fee</u>
Bail Bond	Producer	\$75
Casualty	Producer	\$75
Fidelity and Surety	Producer	\$75
Health and Accident	Producer	\$75
Industrial Fire	Producer	\$75
Life	Producer	\$75
Personal Lines	Producer	\$75
Property	Producer	\$75
Surplus Lines	Broker	\$250
Title	Producer	\$75
Vehicle Physical Damage	Producer	\$75

Remember: Fees are nonrefundable and nontransferable.

- ◆ **Surplus Lines Broker License:** As a prerequisite for this type of license, an applicant must hold a property and casualty license for at least two years, or have two years of professional experience as an employee with a property and casualty insurer. For a firm to obtain a Surplus Lines license, all officers or partners placing business must be licensed as Surplus Lines brokers and hold countersigning authority from a Surplus Lines insurer.

Scheduling the Exams

Thomson-Prometric of St. Paul, MN, administers the examination program. The Louisiana area Thomson testing centers are located in:

- Alexandria
- Baton Rouge
- New Orleans
- Bossier City



Thomson works closely with the Louisiana Department of Insurance and its examination review committee to assure that exams meet local requirements and test development standards. All questions and requests for information about exams should be directed to:

Thomson-Prometric
1260 Energy Park Drive
St. Paul, MN 55108
Fax: 800-347-9242
TDD User: 800-790-3926
Voice: 800-871-6457

Once Thomson has received and processed your application and exam registration, schedule your examination time and place by calling 800-871-6457 between the hours of 7 a.m. and 8 p.m. central time, or use the Internet registration and scheduling service at www.thomsonprometric.com.

A pre-licensing certificate remains valid for 365 days. An exam registration remains valid for 90 days after Thomson-Prometric has processed it. A license application is valid for one year after receipt by the Louisiana Department of Insurance. Registrations and applications then automatically expire. To reapply, new applications are required, together with applicable exam and license fees.

Studying for the Exam

The exam for each type of license consists of questions that test knowledge of relevant areas listed in the content outline for that exam. These Examination Content Outlines are developed in coordination with the Department of Insurance and an examination review committee from the Louisiana insurance industry in order to identify and classify the level of knowledge that insurance licensees need to properly serve their clients.

Thomson's item development staff and insurance professionals at Drake University research and write questions that are submitted to industry



professionals in Louisiana for review and approval. Our industry professionals first identify the important areas of knowledge and then confirm that the questions reflect those areas. This process assures that the exam reflects the content that an entry-level producer must know to serve the public.

The Examination Content Outlines can be found in the Louisiana Department of Insurance Licensing Information Bulletin or online at www.thomsonprometric.com. The content outlines are updated periodically and may not be consistent with outdated study material in study manuals. Where discrepancies exist, the outlines take precedence.

In addition to the required prelicensing instruction, other useful study materials may be obtained from insurance companies, the company or agency for which you plan to work, or from an insurance agent association. However, neither Thomson-Prometric nor the Louisiana Department of Insurance is able to provide listings or recommendations of study materials or study manuals.

The exams contain sections on Louisiana insurance laws. In addition to basic study material, it is beneficial to consult a standard statute reference, which is available at any public or law library. It is also available from the following publisher:

BISYS Education Services
(Formerly Merritt Publishing, Pictorial, Inc. and Examco)
7835 Woodland Drive
Indianapolis, IN 46278

Phone: 800-428-1324 or 800-955-7055

For question format examples and details regarding understanding your exam results, please refer to the Louisiana Department of Insurance Licensing Information Bulletin.

After Passing the Examination

After you have passed the examination and the Department of Insurance authorizes the issue of licenses, Thomson-Prometric will mail them to you.



Keeping your license

Duration and Renewal of License

All licenses expire on a predetermined date, regardless of issue date. If you are licensed late in a license period, you may choose to have your license issued effective May 1. If you do so, remember that you cannot begin transacting insurance business until that date. Effective Nov. 1, 2006, the Department will only mail renewals to non-resident business entities and non-resident producers holding a limited line of authority. Resident producers can go to the Department of Insurance Web site and utilize the online renewal system at www.lidi.state.la.us. Non-resident individuals holding a full line of authority can go to www.licenseregistry.com. ***A new certificate is not issued upon renewal. However, a renewal certificate may be downloaded from our Web site www.lidi.state.la.us.***

♦ Life, Health, and Accident

These licenses expire April 30 every even-numbered year.

<u>License Class</u>	<u>Renewal Fee</u>
Producers.....	\$50.00

♦ Property & Casualty, Fidelity & Surety, Industrial Fire, Title, Bail Bond

These licenses expire April 30 every odd-numbered year.

<u>License Class</u>	<u>Renewal Fee</u>
Producers.....	\$50.00

♦ Surplus Lines

These licenses expire on April 30 every year.

<u>License Class</u>	<u>Renewal Fee</u>
Broker.....	\$175.00

To avoid applying for license reinstatement, all Surplus Lines producer renewals must be filed by May 1 every year, along with the appropriate forms and fees. If a qualified individual is merely listed as a countersigning agent on a firm renewal, a separate renewal application and fee is not needed.

♦ Reinstatement of License

A license can be reinstated for up to five years after the May 1 anniversary date on which it expired, provided you meet all necessary requirements. You must file a complete application, pay the appropriate fees and show proof of completing continuing education for your license type. Contact the Louisiana Department of Insurance directly to request a reinstatement application.

Continuing Education

All Louisiana resident producers must meet continuing education (CE) requirements with the exception of those holding industrial fire, fidelity and surety, or licenses for lines that require no examination. Please see our Web site at www.lidi.state.la.us for information concerning exemptions from CE requirements for those 65 years of age or older. The Department and the Insurance Education Advisory Council must approve all courses and course providers. Licensees are responsible for attending classes and filing the proper forms. Any new licensee issued a license within the two years preceding renewal of the license is not required to meet CE requirements for the first renewal period only. Refer to the following table for course hour requirements of specific licenses.

<u>Line of Insurance</u>	<u>Minimum Hours Every Two Years</u>
Property & Casualty only	24 hours
Life, Health & Accident only	16 hours
Bail Bond	12 hours
Both Property & Casualty and Life & Health	
Property & Casualty	20 hours
Life, Health & Accident	12 hours
Personal Lines	20 hours
Title	6 hours

Effective August 15, 2004, per Act 512 of the 2004 Louisiana Regular Legislative Session, you may use up to 10 hours of Property and Casualty carry over hours and six hours of Life, Health and Accident carry over hours to renew the applicable license. Carryover hours must be earned during the previous renewal period.

Additional licensing info

Nonresident licensees relocating to LA

If you move to Louisiana and wish to apply for a **resident** license, you must submit Form 1136A and fees along with a Letter of Clearance to the Louisiana Department of Insurance from your previous home state. In Louisiana, anyone applying for an insurance producer license who was previously licensed for the same lines of authority in another state is not required to complete any precensing education or examination. This exemption is available if:

- ◆ Applicant is currently licensed in previous home state.
- ◆ Application is received within 90 days of cancellation of applicant's previous license.
- ◆ Applicant was in good standing in applicant's previous home state or the state's producer database records maintained by the National Association of Insurance Commissioners (NAIC), its affiliates or subsidiaries.



For proper application and licensing fees, contact the Louisiana Department of Insurance at 800-259-5300 or e-mail the Department from our Web site at www.ldi.state.la.us. Mail the application with the appropriate fees to the following address:

Agent Licensing Division
Louisiana Department of Insurance
P.O. Box 94214
Baton Rouge, LA 70804-9214

Additional Appointments

To obtain additional appointments from other companies, each company must submit an appointment form (available from the Louisiana Department of Insurance) authorizing the additional appointment, together with a \$20 fee.

All questions and requests for information about examinations should be directed to:

Thomson-Prometric
1260 Energy Park Drive
St. Paul, MN 55108-5252
Fax: 800-347-9242
TDD User: 800-790-3926
Voice: 800-871-6457

Visit their Web site at www.thomsonprometric.com

Questions about licenses not requiring an exam should be directed to:

Louisiana Department of Insurance
P.O. Box 94214
Baton Rouge, LA 70804-9214
225-342-0860

Visit our Web site at www.lidi.state.la.us



The Department of Insurance, The Poydras Building, 1702 N. Third St., Baton Rouge

Examination Process Summary

- ♦ Prepare for the exam by using the Examination Content Outlines available through the Department of Insurance and study materials covering the outline topics.
- ♦ Read and understand the licensing application and exam registration procedures.
- ♦ When applying, mail your license application and exam registration at least two weeks before you want to take the exam. Submit the correct licensing and exam fees and forms to Thomson-Prometric. **If they are incorrect, they cannot be accepted.**
- ♦ Call Thomson-Prometric to schedule your examination or register and schedule your exam online at www.thomsonprometric.com.
- ♦ Take the exam on your scheduled day. Be sure to bring to the examination all proper forms of identification and prelicensing education certificates.



Act 158 - Producer Licensing

As part of the nationwide effort to create a uniform licensing process, Louisiana recently passed legislation based on the NAIC Uniform Producer Model Act. This legislation was signed by Governor Mike Foster on May 25, 2001 and became effective January 1, 2002.

Key highlights of the new producer law

- ♦ Eliminates any reference to agents, brokers and solicitors who are all now referred to as “Insurance Producers.”
- ♦ Defines key terms used throughout the law. [The terms sell, solicit and negotiate, when someone needs to obtain a producer license, are now defined in the law.]
- ♦ Allows for renewal dates to be changed to a licensee’s birth date.
- ♦ Clearly sets forth exceptions as to when a person does not need to obtain a producer license.
- ♦ Allows for the use of today’s technology to implement electronic applications, appointment of producers with the insurance companies they represent and receive electronic payment of fees through the Internet.
- ♦ Deletes the provision that applicants applying for an insurance license have company appointment as part of the application submission.
- ♦ Clearly states when a producer is required to obtain an appointment with the insurer he/she represents.

NOTE: The information contained in this booklet was current at the time of this printing. See our Web site, www.lidi.state.la.us, for possible future updates in licensing requirements.

Louisiana Department of Insurance
Office of the Commissioner
P.O. Box 94214
Baton Rouge, LA 70804-9214